

Adopted	Rejected
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COMMITTEE REPORT

YES:	12
NO:	0

MR. SPEAKER:

Your Committee on Public Health, to which was referred House Bill 1251,
has had the same under consideration and begs leave to report the same back to the House with
the recommendation that said bill **be amended** as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT concerning prescription drugs.
- 3 Delete everything after the enacting clause and insert the following:
- 4 SECTION 1. [EFFECTIVE UPON PASSAGE] (a) **The Indiana**
- 5 **prescription drug advisory committee is established to:**
- 6 **(1) study pharmacy benefit programs and proposals, including**
- 7 **programs and proposals in other states;**
- 8 **(2) make initial and ongoing recommendations to the**
- 9 **governor for programs that address the pharmaceutical costs**
- 10 **of low income senior citizens; and**
- 11 **(3) review and approve changes to a prescription drug**
- 12 **program that is established or implemented under a Medicaid**
- 13 **waiver that uses money from the Indiana prescription drug**
- 14 **account established by IC 4-12-8-2.**

1 **(b) The committee consists of eleven (11) members appointed**
2 **by the governor and four (4) legislative members. Members**
3 **serving on the committee established by P.L.291-2001, SECTION**
4 **81, before its expiration on December 31, 2001, continue to serve.**
5 **The term of each member expires December 31, 2006. The**
6 **members of the committee appointed by the governor are as**
7 **follows:**

8 **(1) A physician with a specialty in geriatrics.**

9 **(2) A pharmacist.**

10 **(3) A person with expertise in health plan administration.**

11 **(4) A representative of an area agency on aging.**

12 **(5) A consumer representative from a senior citizen advocacy**
13 **organization.**

14 **(6) A person with expertise in and knowledge of the federal**
15 **Medicare program.**

16 **(7) A health care economist.**

17 **(8) A person representing a pharmaceutical research and**
18 **manufacturing association.**

19 **(9) A township trustee.**

20 **(10) Two (2) other members as appointed by the governor.**

21 **The four (4) legislative members shall serve as nonvoting**
22 **members. The speaker of the house of representatives and the**
23 **president pro tempore of the senate shall each appoint two (2)**
24 **legislative members, who may not be from the same political**
25 **party, to serve on the committee.**

26 **(c) The governor shall designate a member to serve as**
27 **chairperson. A vacancy with respect to a member shall be filled in**
28 **the same manner as the original appointment. Each member is**
29 **entitled to reimbursement for traveling expenses and other**
30 **expenses actually incurred in connection with the member's**
31 **duties. The expenses of the committee shall be paid from the**
32 **Indiana prescription drug account established by IC 4-12-8-2. The**
33 **office of the secretary of family and social services shall provide**
34 **staff for the committee. The committee is a public agency for**
35 **purposes of IC 5-14-1.5 and IC 5-14-3. The committee is a**

governing body for purposes of IC 5-14-1.5.

(d) The committee shall make program design recommendations to the governor and the office of the secretary of family and social services to coordinate the Indiana prescription drug program administered under IC 12-10-16-3 with the federal Medicare Prescription Drug and Improvement and Modernization Act of 2003, and to ensure that the program does not duplicate benefits provided under the federal law. In making recommendations, the committee shall consider the following:

(1) Eligibility criteria, including any changes in income limits.

(2) Benefit structure, including determining if the program will assume any of a program recipient's premiums or cost sharing requirements required by federal law.

(3) Cost sharing requirements, including whether the program should include a requirement for copayments or premium payments.

(4) Marketing and outreach strategies.

(5) Administrative structure and delivery systems.

(6) Evaluation.

(e) The recommendations shall address the following:

(1) Cost effectiveness of program design.

(2) Strategies to minimize crowd out of private insurance.

(3) Reasonable balance between maximum eligibility levels and maximum benefit levels.

(4) Feasibility of a health care subsidy program where the amount of the subsidy is based on income.

(5) Advisability of entering into contracts with health insurance companies to administer the program.

(f) The committee shall submit its recommended changes to the governor and the office of the secretary of family and social services before:

(1) July 1, 2004, for program changes related to the Medicare discount program; and

(2) September 1, 2005, for program changes related to the part D Medicare drug benefit.

1 **(g) This SECTION expires December 31, 2006.**

2 SECTION 2. THE FOLLOWING ARE REPEALED [EFFECTIVE
3 UPON PASSAGE]: P.L.106-2002, SECTION 1; P.L.107-2002,
4 SECTION 35.

5 SECTION 3. **An emergency is declared for this act.**
 (Reference is to HB 1251 as introduced.)

and when so amended that said bill do pass.

Representative Brown C